REMARKS

Claims 1-7, 11-22, 31 and 32 stand rejected under 35 U.S.C.§103 in view of

Snyder (6,038,561) and Risen (6,018,714).

The Examiner agrees that Snyder does not teach the steps of:

b) automatically determining claim breadth metrics for the multiple claims;

c) associating said claim breadth metric with said claim text and storing said

associated metric in a computer-readable dataset; and

d) wherein a claim breadth metric which is associated with a claim is

indicative of how broad the claim is. [See Office Action of 5/6/2004, page 3).

The Examiner cites Risen as teaching the step of valuation of the intellectual

property asset, based on "the breadth of the claims." [See Office Action of 5/6/2004,

page 3-4). However, there is an important component that is lacking from the Risen

reference. The Risen reference does not teach the process of **automatically**

determining claim breadth metrics for multiple claims. As will be demonstrated below,

Risen relies on a <u>human</u> to determine the claim breadth metric.

Illustrative of the fact that Risen relies on human assessment of metrics—as

opposed to automatic determination of them—is the following quote from Risen, col 14,

lns 39-51:

> "The relevant parameters are identified for a particular case. The values of some
> of the parameters can be determined by agreement between the insurance
> company and the proposed insured. The values of the others are determined by
> an appropriate evaluation method. The evaluation method could be, for example,
> one of the methods referred to above, or a method which involves obtaining the
> opinion of one or more **experts** in the field. The preferred method is to obtain the
> opinions from the most experienced available **expert** for each issue and to obtain
> the opinion of two more highly qualified **experts** for those areas where there is
> reason to consult further or where there is a large financial risk."

To further aid the Examiner in evaluating the true scope of the Risen reference, Applicants have conducted a "word search" throughout the text of the Risen reference and present below how the word "claim" is used in Risen specification. It is submitted that if Risen did teach "automatically determining" claim breadth metrics, as the Examiner has presumed, then some language discussing the term "claims" would certainly mention "automatic determination of claim breadth." In fact, as the following excerpts show, the Risen reference does not teach automatically determining a claim breadth metric.

Excerpts from Risen reference where the word "claims" appears

Excerpt A [col. 9, lns 21-43]

"The second step of valuation of the intellectual property asset is the assignment of a monetary value to the intellectual property asset. For example, if the asset is a patent and if one or more **claims** of the patent are found to be valid and enforceable in the legal analysis, a value is then assigned to the patent. This value can be based, for example, upon the income and profits generated by the sale or use of the patented technology, the number of years remaining on the term of the patent, the **breadth of the patent claims**, the nature of the patented technology, the nature of competitive products or processes, etc. One such method is described below in Prophetic Example 2. Other intellectual property assets can be assigned a monetary value in conventional ways by persons who specialize in, or have the skills needed, to value intellectual property. In another embodiment of the invention, the prospective purchaser of the intellectual property asset assigns their own value to the intellectual property, similar to the manner in which the U.S. Post Office allows a customer who purchases insurance for a parcel to select the desired amount of insurance coverage. While this latter valuation technique is simpler, it is likely to be more difficult to use in statistically determining an appropriate insurance premium."

Excerpt A is the text relied upon by the Examiner in the Office Action. Note that in each case, a human assigns the valuation metric (which the reference says can be breadth of the patent claims). This is a teaching away from Applicants' invention.

The "Prophetic Example 2" referenced in the above excerpt is discussed at col 13, beginning at In. 31, also relies on human valuation. Risen references U.S. Patent No. 5,608,620 as teaching one suitable method for obtaining values of parameters. A copy of this reference has been provided in the accompanying Information Disclosure Statement. That reference describes a technique used by a group of <u>forecasters</u>. The abstract from 5,608,620 is reproduced below:

> A method of eliciting an unbiased prediction of an unknown variable value from at least one of a group of forecasters. This method of compensating individual forecasters can be applied to an entire group of forecasters so as to elicit an unbiased collective prediction. The method yields nearly unbiased predictions from risk-averse forecasters whenever at least two forecasters are employed to make the same prediction. The method involves: aggregating the predictions of the forecasters, both with and without the particular prediction of the individual forecaster; computing collective losses for both of the aggregated predictions; calculating the individual forecaster's marginal contribution to predictive accuracy, based on the difference in collective losses; and computing and paying the individual forecaster's compensation as a function of the individual's marginal contribution.

The Prophetic Example 2 also references the "VALMATRIX" method of Trademark and Licensing Associates, Inc. In preparing the response to this Office Action, Applicants conducted an internet search for VALMATRIX and found reference to this technique at:

www.consor.com/valuation/techniques.htm

A printout of the referenced page is included with this response. Applicants are not able to determine the date of the referenced page, hence no date has been provided for this document in Applicants' Information Disclosure Statement. However, Applicants find nothing in this reference that suggests the automatic determination of claim breadth metrics.

Excerpt B [col 5, lns 7-10, col 6, lns 1-10]

"The present invention provides for a sharing of the risk associated with the purchase, sale and/or ownership of intellectual property assets. Furthermore, the legal, technical and financial analysis which is conducted in connection with underwriting an insurance product to cover an intellectual property asset can also serve as a component in a "due diligence" analysis which is conducted in preparation for the purchase or sale of a business or portion of a business. Thus, the invention can provide the directors of a selling or purchasing company with protection against **claims** that they had incorrectly assessed the intellectual property of a company involved in an asset transfer. Non-limiting examples of situations in which the method and product of the invention would be useful are described below on Table 1. "

Excerpt B uses the term "claims" in the context of a "legal claim" or a "accusation" that an incorrect assessment has been made. This is, of course, not the same thing as "patent claims."

Excerpt C [col 8, lns 45-51]

"When the intellectual property asset is a patent, the step of obtaining a "description of at least one intellectual property asset" which is recited in the **claims** generally entails obtaining a copy of the patent, and, in at least some cases, its file history. For other intellectual property assets, a description of the asset may entail a copy, sample, specimen, prototype, and/or written description of the asset."

Excerpt C further demonstrates that the Risen reference teaches away from Applicants' invention. Here Risen explains that an assessment of an intellectual property asset recited in the "claims" generally entails obtaining a copy of the patent, and, in at least some cases, its file history. There is nothing in the Risen reference to suggest that the file history would be analyzed automatically, thus it is apparent that Risen contemplates that a human would perform the claim breadth assessment.

Excerpt D [col 8, lns 52-64]

"A first party" as this language is used in the **claims** refers to the owner (or in some cases the licensee) of the intellectual property asset or assets at the time that the asset or assets are valued. "A person with an interest in the first party" can be, for example, one or more of the parties listed in column 2 of Table 1 above, including the first party itself Most frequently, this person will be a corporation which is a potential purchaser or licensee of the intellectual property asset or assets, the directors of the potential purchaser or licensee, or the officers of the potential purchaser or licensee, as these persons likely have a strong interest in obtaining a thorough analysis of the intellectual property asset or assets which they intend to purchase or license.

Excerpt D uses the term "claims" to refer to the claims of the Risen patent itself.

This excerpt serves to define the term "a first party" and does not teach automatic claim

breadth assessment.

Excerpt E [Table I]

"The directors and/or officers want to insure themselves in the event that current shareholders in Company A **claim** they sold the company for too low a price because they did not realize the value of the intellectual property. They also want insurance to cover any liability in the event that Company B or its owners **claim** that the Directors of Company A did not satisfy their due diligence requirement with respect to disclosure of information that could materially impact the value of the company.

* * *

In the resale or merger transaction, they want to insure against losses due to purchaser **claims** that they misrepresented the value of the intellectual property of Company A."

As with Excerpt C, Excerpt E deals with claims as meaning "legal claims" or

"accusations" that a wrongdoing occurred.

<u>Excerpt F</u>

"The President of Company A wants insurance to cover the possibility that an investment in using the intellectual property covered by a provisional patent application (e.g. in building a plant to use a technology) will not be wasted or devalued because Company A could not obtain a valid patent with substantially the same **claims**.

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The financiers (bankers, etc.) of Company A wants Company A to have insurance to cover the possibility that an investment in using the intellectual property covered by a provisional patent application (e.g. building a plant to use a technology) will not be wasted or devalued because Company A could not obtain a valid patent with substantially the same **claims**".

Excerpt F refers to the "claims" in the context of a provisional patent application. As the Examiner knows, the "claims" of provisional applications are not examined. Thus, this excerpt is referring to the situation where Company A has a provisional patent application with claims, and may later file a regular application based on the provisional. In the described scenario the claims in the provisional may not be allowed in "substantially the same" form as filed. (Thus Company A will not be able to get a valid patent with "substantially the same claims" as they had in their provisional application.) To answer this question would require an assessment of the claims vis-à-vis the prior art. By every indication in the Risen reference, this assessment would be done by a human.

<u>Applicants Claims are Allowable over the References</u>

As demonstrated above, the Risen reference does not teach or suggest the concept of automatically determining claim breadth metrics. Moreover, as the Examiner has noted, the Snyder reference does not teach claim breadth metrics. Accordingly, it

would be improper to combine the Risen and Snyder references as a teaching of Applicants' invention. Applicants claims as they now stand fully distinguish over these references. See Applicants' independent claims:

Claim 1 recites <u>automatically determining claim breadth metrics</u>.

Claim 11 recites <u>automatically analyzing the text of the claims in order to generate claim breadth metrics for the claims</u>.

Accordingly it is respectfully submitted that the claims are now in a condition for allowance.

CONCLUSION

It is believed that all of the stated grounds of rejection have been properly traversed, accommodated, or rendered moot. Applicant therefore respectfully requests that the Examiner reconsider and withdraw all presently outstanding rejections. It is believed that a full and complete response has been made to the outstanding Office Action, and as such, the present application is in condition for allowance. Thus, prompt and favorable consideration of this amendment is respectfully requested. If the Examiner believes that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at (248) 641-1600.

Respectfully submitted,

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